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RAMARRO RESOURCES INC.

Winspear Business Reference Room
University of Alberta
1-18 Business Building
Edmonton, Alberta T6G 2R6

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1996

Annual

Report

to the

Shareholders

Corporate Highlights

	1996	1995
OPERATIONS		
Natural gas production (mmcf)		
Total	740.0	738.1
Daily	2.02	2.02
Average natural gas (\$/mcf)	1.39	1.21
Crude oil sales (bbls)	6,889	7,730
Average crude oil (\$/bbl)	20.56	19.58
Total BOE/d	221	223
Natural gas reserves (bcf)	8.98	7.71
Crude oil reserves (mbbls)	67	72

FINANCIAL

(all amounts in dollars except share numbers)

Revenue	1,870,367	1,966,565
Funds from operations	552,806	853,351
Per share	0.049	0.073
Net earnings	60,700	228,908
Per share	0.005	0.019
Bank loan		
Current	—	—
Long-term	—	—
Convertible debentures	450,990	394,990
Shareholders' equity	2,709,646	2,756,019
Common shares issued		
At year end	10,976,633	11,255,133
Weighted average	11,095,133	11,278,800

SHARE PERFORMANCE

Price (\$)		
High	0.18	0.33
Low	0.10	0.15
Close	0.15	0.20
Volume	746,550	862,635

During the year ended September 30, 1996 Ramarro continued its progress toward future growth and development. Ramarro entered into a long term contract with TransCanada Gas Services Limited to sell all its uncontracted gas effective November 1, 1996. This arrangement should result in improved selling prices for the Cessford North field where a new development drilling program was completed since year end. Our direct liability for pipe line tariffs in Alberta locations was also eliminated with the commencement of this new sales agreement. In Saskatchewan, about three-quarters of the natural gas produced in the Hatton field , and all of the Richmond North gas will be sold in the field, where the purchaser will be responsible for the compression and transportation of the gas. With the partial elimination of the costs related to the compression and transportation, the netback at the affected locations is expected to improve. New marketing arrangements in Saskatchewan will improve the plant gate netback for the balance of the gas.

Earnings and cash generated from operations are below those reported last year, which were positively impacted by a settlement made to the Company when an export gas sales contract was terminated in May of 1995. Without this termination, this year's results would have shown year-to-year gains over last year. The effect of this transaction is more fully discussed in the Financial Review section of this report.

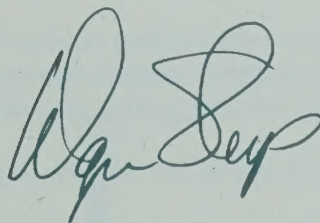
The Company continues to be without any bank indebtedness; its line of credit of \$1,000,000 provides financial flexibility for acquisition or other project possibilities.

1997 FOCUS

Ramarro's continued focus remains the diversification of its asset and reserve base with the longer term objective of being more evenly balanced between oil and gas. To this end the Company will pursue new exploration plays which have additional development potential to enhance early cash flow and its reserve base.

The Directors wish to recognize the important contribution of Ramarro's employees; through their dedication and energy, the Company will experience continued growth and success.

On behalf of the Board of Directors,

A handwritten signature in dark ink, appearing to read "Wayne Sharp", is positioned above the printed name and title.

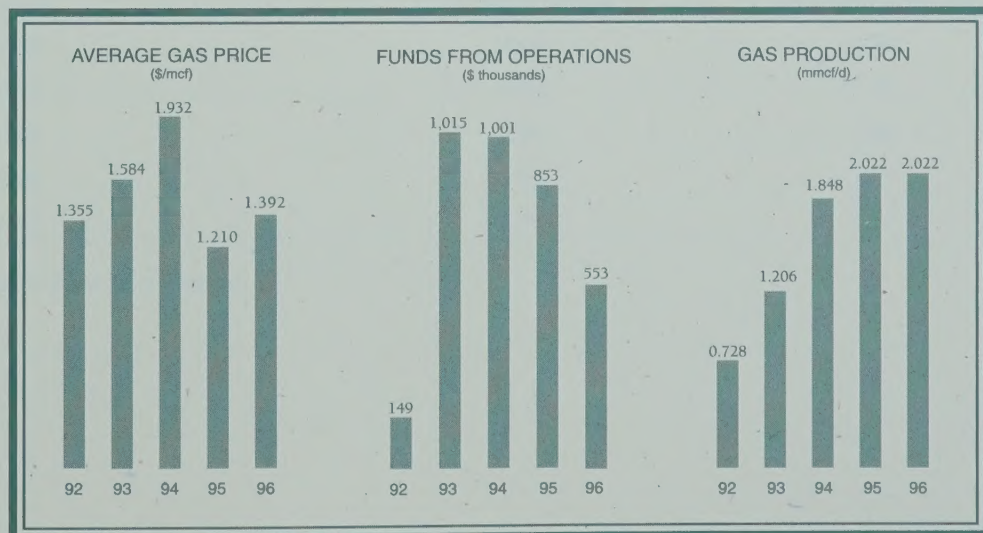
Wayne Sharp,
President
December 16, 1996

Development of the Cessford North field continued during the past fiscal year. In the fall of 1995, six wells were completed and placed on stream in October 1995. A 14 well program commenced in September 1996 and although delayed by wet weather, began production in November 1996, bringing the total number of wells in the field to 30. The new wells were drilled on lands purchased at a Crown land sale or on lands in which Ramarro and Texada Energy Ltd. acquired the majority working interests in an eight section block through a farmout subject to a 10% gross overriding royalty. Together, the Ramarro-Texada group now holds the entire working interest in 19 producing or prospective sections in the area. At the same time as production from the new wells began, a compressor formerly in service in the Hatton project was re-packaged and moved to Cessford North to process gas from this project. The re-packaging included modifications to make the unit portable so that it could be moved to another location with relative ease.

The above-mentioned compressor became expendable in the Hatton project when an agreement was concluded with another producer to sell our raw gas at the field gate for a price that is indexed to the prevailing price at Empress, Alberta. The purchaser will be responsible for compressing and transporting the gas beyond its receipt point. Somewhat more than half of the Hatton gas is covered by this new agreement which became effective at the start of the new fiscal year. Natural gas at Richmond North is also covered by a similar arrangement, but the necessary field connections were not made until late

October 1996. It is expected that cash flow from the properties covered by these new arrangements will be enhanced through elimination of compression and transportation costs. In combination with other marketing transactions, this type of sale agreement should improve the profitability of our Saskatchewan operations. Effective November 1, 1996 the balance of the Company's uncontracted gas is being sold to TransCanada Gas Services Limited under a long term sales contract. At the same date, our liability under various gas transportation contracts was either terminated or transferred to other bodies who have the capacity and requirements to utilize the transportation in a more efficient fashion.

Total gas sales for the year were 740.0 mmcf, almost the same as the 738.1 mmcf sold last year (2.02 mmcf/d in both years). Gains at Hatton and a portion of the Hilda field resulted from increased working interests and were sufficient to offset declines in the balance of the Hilda property and at



Cessford West. Crude oil sales declined to 6,889 bbls compared to the 7,730 bbls sold last year. On an equivalent unit basis, oil accounted for 6.5% of the total equivalent unit production of 221 BOE/d in 1996 compared to 9.5% of the 223 BOE/d in the prior year.

Production expenses were \$694,967 up \$133,907 or 23.9% from last year's \$561,060 due primarily to higher working interests in the Hatton project and in a portion of the Hilda property. This expense level averages \$8.59 per BOE compared to the prior year's rate of \$6.88 per BOE.

The Company plans to continue its exploratory efforts in the Western Canadian sedimentary basin. Wells at Pakowki Lake, Sylvan Lake and Provost (all in Alberta) and at Creelman in Saskatchewan were drilled during the year and abandoned. At Chauvin, Alberta a well was drilled during the summer of 1996 but completion was delayed pending other developments in the area. Since the year end, the well has been completed and production tests are now under way.

RESERVES AND RELATED VALUE

As of October 1, 1996 Ramarro's in-house evaluation of its reserves included 8.98 bcf of natural gas valued at \$4.02 million and 67mbbls of oil valued at \$0.26 million, both pre-tax using a 15% discount factor.

Recoverable Oil and Gas Reserves as of October 1, 1996

	Gross Reserves *			Present Worth (\$000's)			Cash Flow (\$000)	
	Oil (mbbls)	Gas (bcf)	Undis- counted	10%	15%	20%	1997	Five Years
Cessford North.	—	3.26	5,537	2,661	2,038	1,637	282	1,565
Cessford West	—	1.62	2,308	1,178	926	760	153	768
Hilda	—	2.49	635	494	443	401	112	552
Hatton	—	1.10	920	498	399	332	67	346
Other	67	0.51	950	573	478	411	104	444
Total.	67	8.98	10,350	5,404	4,284	3,541	718	3,675

*Before royalties

The pricing assumptions used for this in-house evaluation are summarized in the following table:

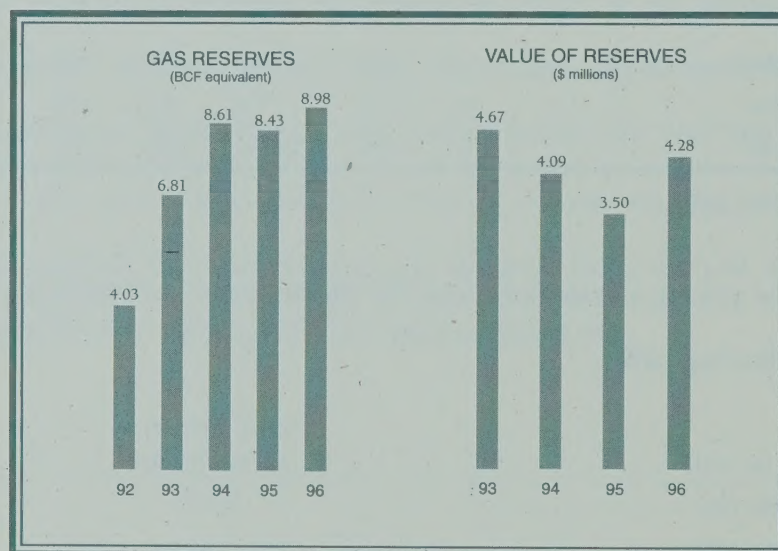
(\$ per mcf)	TransCanada Gas Services Limited	Pan Alberta Gas Ltd.
1996-1997	1.75	1.75
1997-1998	1.56	1.65
1998-1999	1.80	1.80
1999-2000	1.95	1.95
2000-2001	2.10	2.10

Escalated at 5% per year thereafter

Net Asset Value

Proved reserves at October 1, 1996 (discounted at 15% pretax)	\$ 4,284,000
Undeveloped land	150,000
Balance sheet adjustments (as at September 30, 1996)	
Working capital	251,677
Less: Convertible debentures	(450,990)
Preferred shares	(96,978)
Net Asset Value	\$ 4,137,709
Per Share*	\$ 0.38

*Based on 10,976,633 common shares outstanding at September 30, 1996



Comparison of the current year results with those of last year should separate the effects of the sale of transportation rights under the gas sales contract that was terminated in May of 1995. The following table shows last year's results and the effect of this transaction.

	1995 Results as Reported	Effect of Capital Gain	1995 Results Without Capital Gain	1996 Results
Revenues	\$1,966,565	\$ 425,464	\$1,541,101	\$1,870,367
Total Expenses	1,595,963	—	1,595,963	1,800,286
Earnings (Loss) Before Tax	370,582	425,464	(54,882)	70,081
Current Tax Expense	—	—	—	—
Deferred Tax Expense	158,794	143,595	15,199	15,955
Net Earnings (Loss)	228,908	281,869	(52,961)	60,700
Cash Flow from Operations	\$ 853,351	\$ 425,464	\$ 427,887	\$ 552,806

This table shows the significance of the reported capital gain on the 1995 results in that it provided almost half of the cash flow generated from operations and produced sufficient earnings to turn what would have otherwise been a loss, into positive earnings.

Revenues for the year ending September 30, 1996 were \$1,807,367 about 5% below the \$1,966,565 in the previous year. Net revenues from production and related operations at \$1,793,603 were 14.0% ahead of last year's \$1,573,415 due to improvements in selling prices for natural gas. In 1996 Ramarro sold 740.0 mmcf of natural gas at an average price of \$1.39 per mcf; the 738.1 mmcf sold in 1995 averaged \$1.21 per mcf. Oil sales for the year were 6,889 bbls, down from the 7,730 bbls sold in 1995; average prices improved slightly to \$20.56 from \$19.58 per bbl.

Cash generated from operations at \$552,806 (\$0.049 per share) compares to the \$853,351 (\$0.073 per share) generated last year.

Total expenses including non-cash charges at \$1,800,286 were 12.8% higher than the \$1,595,983 recorded last year. Operating expenses increased 23.9% to \$694,967 from \$561,060 due mainly to the costs associated with increased working interests at various locations and new production at Cessford North. Administration expenses were \$578,843 in 1996 compared with \$541,241 in 1995. No portion of these administration expenses have been capitalized. Depletion and depreciation rose slightly from \$401,389 to \$413,467. Net earnings as a result of these various items were \$60,700 (\$0.0047 per share) compared to \$228,908 (\$0.019 per share) last year. No income taxes are payable with respect to operations of the past two fiscal years.

During the year, Ramarro received regulatory approval to continue its normal course issuer bid whereby it may purchase up to 500,000 of its outstanding common shares. This second normal course issuer bid commenced in June and will terminate June 9, 1997. All acquisitions of common stock are made through the facilities of the Alberta Stock Exchange at the market price. During the latest fiscal year, a total of 278,500 common shares had been purchased for a total cost of \$42,325.

For the year, capital expenditures were \$835,588 and included \$367,416 for exploratory drilling and seismic surveys and \$208,000 for flow through shares in Texada Energy Ltd. During the year, several potential property acquisitions were reviewed and resulted in offers to purchase being made to the vendor on terms that would have been favorable to the Company. Our offers were not successful as certain other purchasers were willing to accept substantially lower rates of return than would be acceptable to corporations such as Ramarro. However the Company continues to maintain a line of credit of \$1,000,000 with its banker. Together with its strong working capital position, the line of credit will permit Ramarro to pursue other oil and gas projects and acquisition possibilities.

Auditor's Report

TO THE SHAREHOLDERS OF RAMARRO RESOURCES INC.

I have audited the balance sheets of Ramarro Resources Inc., as of September 30, 1996 and 1995, and the statements of earnings and retained earnings and changes in financial position for the years then ended. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these financial statements based upon my audits.

I conducted my audits in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used, and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 1996 and 1995 and the results of its operations and the changes in its financial position for the years then ended in accordance with generally accepted accounting principles.



Gordon K. Case
Chartered Accountant
December 6, 1996
Calgary, Alberta

Balance Sheet

September 30	1996	1995
ASSETS		
Current		
Cash	\$ 255,500	\$ 82,209
Accounts receivable – (Note 4)	732,606	1,631,662
Income taxes recoverable	–	60,455
	988,106	1,774,326
Capital, at cost – (Notes 2 and 4)		
Petroleum and natural gas properties	5,509,766	4,701,733
Less: Accumulated depletion and depreciation	(2,072,653)	(1,659,186)
	3,437,113	3,042,547
Investments – (Note 3)	125,400	63,000
	\$4,550,619	\$4,879,873
LIABILITIES		
Current		
Accounts payable	\$ 736,429	\$ 1,126,394
Convertible Debentures – (Note 5)	450,990	394,990
Provision for Future Site Restorations	143,169	108,040
	594,159	503,030
Deferred Income Taxes	510,385	494,430
SHAREHOLDERS' EQUITY		
Preferred Shares – (Note 6)	96,978	152,978
Common Shares – (Note 6)	1,190,432	1,232,757
Retained Earnings	1,422,236	1,370,284
	2,709,646	2,756,019
	\$4,550,619	\$4,879,873

See accompanying notes

Contingency – (Note 9)

Approved on behalf of the Board



Wayne R. Sharp
Director



G. Donald Meades
Director

Statement of Earnings and Retained Earnings

Year Ended September 30	1996	1995
Revenue	\$1,870,367	\$ 1,966,565
Expenses		
Operating	694,967	561,060
Administration	578,843	541,241
Interest and bank charges	50,325	45,128
Depletion and depreciation	413,467	401,389
Future site restorations	62,684	47,165
	1,800,286	1,595,983
Earnings Before Income Taxes	70,081	370,582
Income Taxes – (Note 7)		
Deferred	15,955	158,794
Alberta royalty tax credit	(6,574)	(17,120)
	9,381	141,674
Net Earnings	60,700	228,908
Retained Earnings at Beginning of Period	1,370,284	1,152,084
Preferred Dividends	(8,748)	(10,708)
Retained Earnings at End of Period	\$1,422,236	\$ 1,370,284
Basic Earnings Per Share	\$ 0.0047	\$ 0.0193
Fully Diluted Earnings Per Share	\$ 0.0059	\$ 0.0170

See accompanying notes

Statement of Changes in Financial Position

Year Ended September 30	1996	1995
Cash Generated from Operations		
Net earnings	\$ 60,700	\$ 228,908
Depreciation and other charges		
not involving cash	476,151	465,649
Deferred taxes	15,955	158,794
	552,806	853,351
Investment		
Petroleum and natural gas properties	(835,588)	(619,744)
Proceeds on sale of capital assets	—	355,341
Changes in other working capital items	569,546	(544,672)
Investments	(62,400)	(63,000)
	(328,442)	(872,075)
	224,364	(18,724)
Financing		
Conversion of preferred shares	(56,000)	—
Conversion to convertible debentures	56,000	—
Issue of common shares	—	57,500
Repurchase of common shares	(42,325)	(42,860)
Preferred dividends	(8,748)	(10,708)
	(51,073)	3,932
Increase (Decrease) in Cash	173,291	(14,792)
Cash at Beginning of Period	82,209	97,001
Cash at End of Period	\$ 255,500	\$ 82,209
Analysis of Other Working Capital Items		
Accounts receivable	\$ 899,056	\$ 224,229
Accounts payable	(389,965)	(875,691)
Income taxes recoverable	60,455	106,790
	\$ 569,546	\$ (544,672)

See accompanying notes

Years Ended September 30

1. ACCOUNTING POLICIES

(a) Petroleum and Natural Gas Properties

The Company follows the full cost method of accounting for petroleum and natural gas properties whereby all costs of exploring for and developing petroleum and natural gas properties and related reserves are capitalized and charged against earnings as set out below. Such costs include land acquisition costs, geological and geophysical expenses and costs of drilling and completion of both productive and non-productive wells.

(b) Depreciation and Depletion

Depreciation of lease and well equipment is computed on a straight line basis at a rate of 10% per annum. Depletion of the Company's interest in petroleum and natural gas properties is computed by the unit-of-production method based on estimates of proven recoverable reserves.

(c) Joint Ventures

All of the Company's activities are carried on jointly with others. These financial statements reflect only the Company's proportionate interest in such activities.

(d) Future Site Restorations

Estimated future site restoration costs are provided for using the unit-of-production method based upon estimated proven reserves. Costs are estimated by the Company based upon current regulations, costs, technology and industry standards. Removal and site restoration expenditures will be charged to the accumulated provision as incurred.

(e) Investments

The Company follows the equity method of accounting for its investments in non-controlled corporations whereby an investment is initially recorded at cost with the carrying volume adjusted thereafter for the Company's pro-rata share of earning in the non-controlled corporation. Where an investment includes the purchase of flow through shares, that portion is included in Petroleum and Natural Gas Properties.

(f) Measurement Uncertainty

The amounts recorded for depletion and depreciation of capital assets and the provision for future abandonment and site restoration costs are based on estimates. The ceiling test is based on such factors as estimated proven reserves, production rates, oil and natural gas prices, future costs and other relevant assumptions. By their nature, these estimates are subject to measurement uncertainty and the impact on the financial statements of future periods could be material.

2. PETROLEUM AND NATURAL GAS PROPERTIES

The Company's investment in petroleum and natural gas properties is comprised of the following categories and costs:

	Cost	1996 Accumulated Depletion and Depreciation	Net
Petroleum and			
natural gas properties	\$4,400,188	\$1,529,418	\$2,870,770
Lease and well equipment	1,109,578	543,235	566,343
	\$5,509,766	\$2,072,653	\$3,437,113

	Cost	1995 Accumulated Depletion and Depreciation	Net
Petroleum and			
natural gas properties	\$3,685,982	\$1,225,909	\$2,460,073
Lease and well equipment	1,015,751	433,277	582,474
	\$4,701,733	\$1,659,186	\$3,042,547

3. INVESTMENTS

The Company's investment in Texada Energy Ltd. is summarized in the following table:

	Convertible Debentures	Number of Common Shares	Amount
Balance, September 30, 1994	\$ —	84,000	\$21,000
Reduction in carrying value due to incurred losses			(21,000)
Purchased during year	63,000	—	—
Balance, September 30, 1995	63,000	84,000	—
Purchased during year	62,400	—	—
Balance, September 30, 1996	\$125,400	84,000	\$ —

During the past three fiscal years the Company has invested a total of \$628,000 for 628,000 flow through shares of Texada Energy Ltd., the cost of which is included Petroleum and Natural Gas Properties. Income tax write-offs of approximately \$136,000 have been recorded in the current fiscal year, and the remaining balance of \$208,000 should be available for use in future years. At September 30, 1996 the Company held 712,000 common shares representing 35.8 percent of the 1,987,500 common shares outstanding.

4. **BANK LOAN**

The Company has arranged a line of credit with a Canadian chartered bank in the amount of \$1,000,000. Any borrowing will bear interest at the Lender's prime rate plus 1% and will be secured by an assignment of the Company's natural gas properties at Cessford West and Hilda, both in Alberta, an assignment of book debts and a floating charge debenture.

5. **CONVERTIBLE DEBENTURES**

The convertible debentures bear interest at a rate of 10% and mature on January 31, 1998. Each debenture may be redeemed at par in whole or in part, at the option of the Company. Debentures may be converted into common shares of the Company at a price of \$0.20 per share.

6. **CAPITAL STOCK**

Authorized:

The Company's capital consists of an unlimited number of Common voting shares and an unlimited number of Class A and B Preferred non-voting shares issuable in series.

Preferred Shares Issued

	1996		1995	
	Number of Shares	Share Capital	Number of Shares	Share Capital
Balance, Beginning of Year	152,978	\$152,978	152,978	\$152,978
Conversion to Debentures	(56,000)	(56,000)	—	—
Balance, End of Year	96,978	\$ 96,978	152,978	\$152,978

The Convertible Class B preferred shares are entitled to a fixed annual cumulative dividend of 7% and are convertible into common shares of the Company at a price of \$0.20 per share, and are redeemable at par, in whole or in part, at the option of the Company. The Convertible Class B preferred shares may also be converted to Convertible Debentures at an equivalent value.

Common Shares Issued

	1996		1995	
	Number of Shares	Share Capital	Number of Shares	Share Capital
Balance, Beginning of Year	11,255,133	\$1,232,757	10,889,633	\$1,218,117
Issued for Cash under				
Stock Option Plan	—	—	575,000	57,500
Repurchased under				
Normal Course Issuer Bid	(278,500)	(42,325)	(209,500)	(42,860)
Balance, End of Year	10,976,633	\$1,190,432	11,255,133	\$1,232,757

Management has established a plan for granting stock options to the directors, management and employees of the Corporation. At September 30, 1996, options covering 950,000 shares at prices ranging from \$0.10 to \$0.20 per share were outstanding which, if not exercised, will expire at various dates during the next four years. Under a Normal Course Issuer Bid, the Company received approval in June 1996 to purchase up to 500,000 of its outstanding common shares until June 9, 1997.

7. INCOME TAX

Income tax expense differs from the amount which would be obtained by applying the basic Canadian federal tax rates to the respective years' income before income taxes. The following table outlines the differences:

	1996	1995
Expected income tax expense at 44.5%	\$31,396	\$164,909
Crown royalties net of related credits	4,016	8,264
Resource allowance	(52,811)	(50,129)
Depletion on assets with no related tax base	35,053	46,885
Equity in non-deductible losses of Texada Energy Ltd.	—	9,345
Non-taxable portion of capital gain	—	(47,333)
Other items – net	(8,273)	9,733
Provision for income taxes	\$ 9,381	\$141,674

The Company has approximately \$1,292,400 of capital costs remaining to be written off against future years taxable income.

8. RELATED PARTIES

In the year to September 30, 1996, the Company paid \$216,000 under a Management Services and Joint Participation Agreement to a company controlled by officers of the Company.

9. CONTINGENT LIABILITY

The Company is a co-defendant in a legal action concerning sales commissions that would have been paid under a gas sales contract that terminated in May 1995, by mutual consent between the Company and the purchaser. The amount of damages claimed by the plaintiff is material to the Company; however, on the advice of its legal counsel, management believes the claim is without merit and has made no provision for the amount claimed.

Five-Year Review

	1996	1995	1994	1993	1992
FINANCIAL					
(all amounts in dollars except outstanding shares)					
Revenue	1,870,367	1,966,565	2,091,690	2,527,667	741,061
Expenses					
Operating	694,967	561,060	510,501	405,105	206,789
Administration	578,843	541,241	504,035	503,752	311,556
Interest and bank charges	50,325	45,128	51,255	45,756	56,044
Depletion and depreciation	413,467	401,389	397,834	247,702	134,462
Future site restorations	62,684	47,165	48,120	16,660	—
	1,800,286	1,595,983	1,511,745	1,218,975	708,851
Earnings Before Income Taxes	70,081	370,582	579,945	1,308,692	32,210
Income Taxes	9,381	141,674	221,461	587,615	26,704
Net Earnings	60,700	228,908	358,484	721,077	5,506
Earnings Per Share					
Basic	0.005	0.019	0.034	0.077	(0.002)
Fully diluted	0.006	0.017	0.028	0.061	0.002
Cash Generated From Operations	552,806	853,351	1,000,536	1,015,469	149,418
Per Share	0.049	0.073	0.097	0.110	0.014
Shareholders' Equity	2,709,646	2,756,019	2,523,179	1,804,910	815,561
Shares Outstanding					
Preferred	96,978	152,978	152,978	313,238	327,723
Common – at year end	10,976,633	11,255,133	10,889,633	9,754,980	8,949,085
– weighted average	11,095,133	11,278,800	10,190,395	9,045,589	8,949,085
OPERATIONS					
Produced/Sales Volumes					
Total mmcf – Natural Gas	740.0	738.1	674.4	440.2	265.8
Mcf/d	2,022	2,022	1,848	1,206	728
Average \$/mcf	1.392	1.210	1.932	1.584	1.355
Total bbls – Crude Oil	6,889	7,730	4,908	1,753	398
Average \$/bbl	20.56	19.58	17.40	16.28	14.40

DIRECTORS

Trevor F. Cuthill*
Calgary, Alberta

Garth M. Farr*
Calgary, Alberta

G. Donald Meades
Calgary, Alberta

Deane G.H. Ross
Calgary, Alberta

Wayne R. Sharp*
Calgary, Alberta

*Member of Audit Committee

OFFICERS

Wayne R. Sharp
President

Deane G.H. Ross
Vice President, Exploration

G. Donald Meades
Vice President, Finance

HEAD OFFICE

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Telephone: (403) 237-9393

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REGISTRAR AND TRANSFER AGENT

Montreal Trust Company

600, 530 - 8th Avenue S.W.

Calgary, Alberta T2P 3S8

AUDITORS

Gordon K. Case
Calgary, Alberta

SOLICITORS

Burstall Ward
Calgary, Alberta

BANKERS

The Bank of Nova Scotia
Calgary, Alberta

STOCK EXCHANGE LISTING

Alberta Stock Exchange

Symbol: RMA

ANNUAL MEETING

The Annual General Meeting of the Shareholders
will be held in the McDougall Room at The 400 Club,
710 - 4th Avenue S.W., Calgary, Alberta, on
Tuesday, March 4, 1997 at 3:30 p.m. (local time).

ABBREVIATIONS

mcf		thousand cubic feet
mmcf/d		million cubic feet per day
mcf/d		thousand cubic feet per day
bcf		billion cubic feet
mmcf		million cubic feet
bbl		barrel
boe		barrels of oil equivalent
mbbls		thousand barrels
BOE/d		barrels of oil equivalent per day (10 mcf of natural gas to 1 barrel of oil)

CONVERSION FACTORS

Cubic meters of gas to cubic feet	x	35.49373
Cubic meters of oil to barrels	x	6.29287



Ramarro Resources Inc.

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